



AGRICULTURAL BULLETIN

PUBLISHED IN THE INTERESTS OF REAL ESTATE ANALYST SUBSCRIBERS BY

ROY WENZLICK & CO.

Real Estate Economists, Appraisers and Counselors

JANUARY 23
1952

Volume XXI

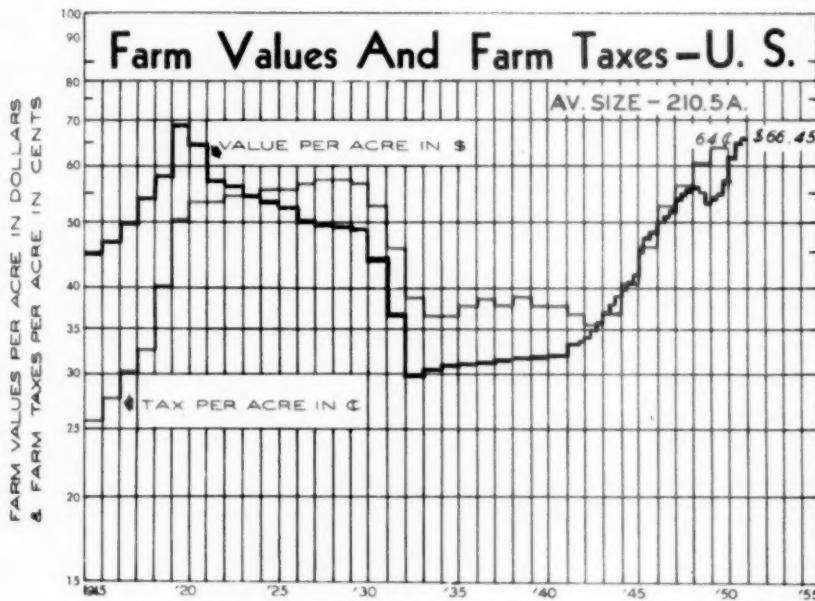
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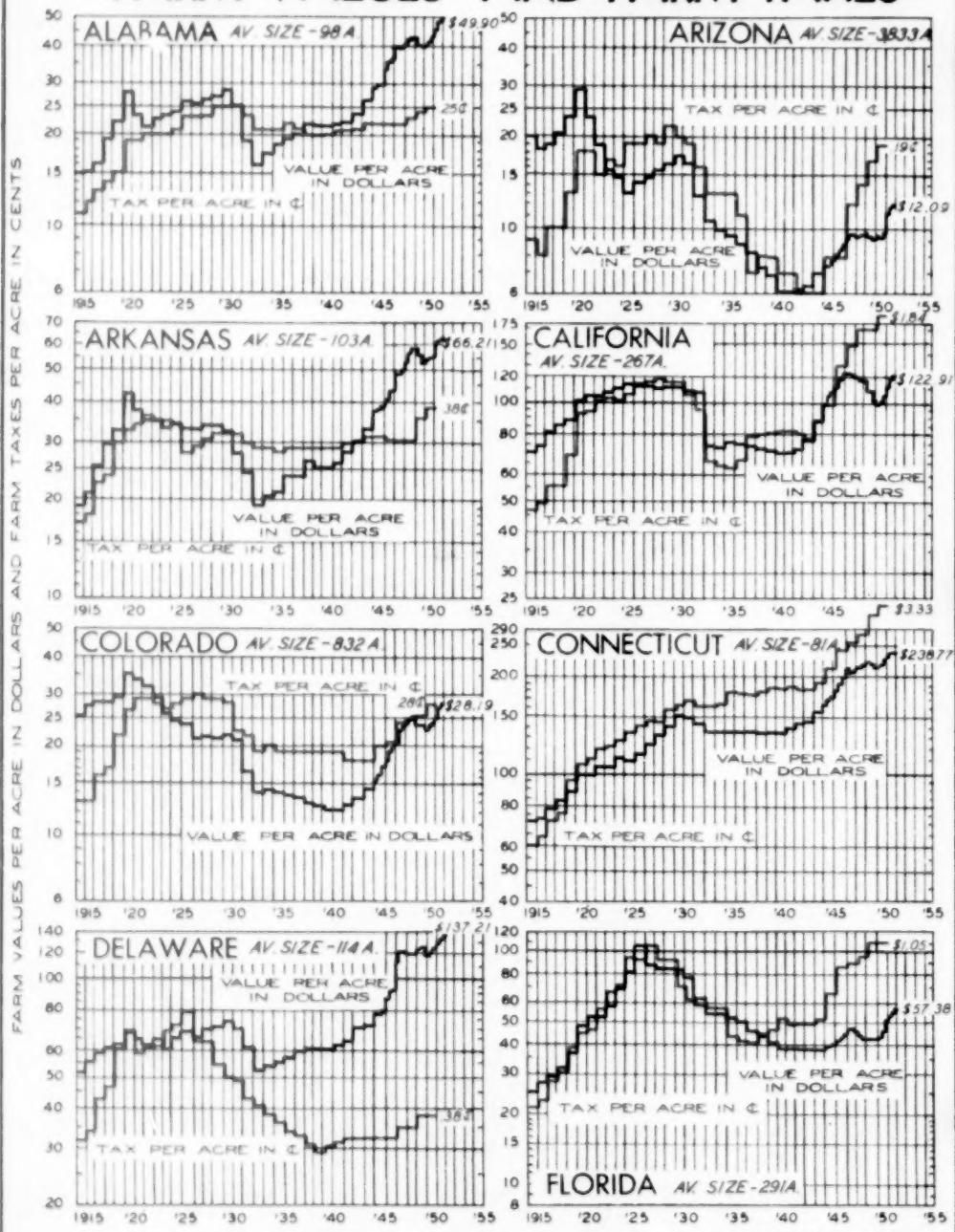
FARM VALUES UP 20% SINCE KOREA

THE average dollar value per acre of farms in each State from 1915 through November 1951 is shown on the following charts. Tax figures, gathered by the Bureau of Agricultural Economics, are plotted on the charts in red. The taxes and farm values shown include both land and buildings. Including buildings in the values of farm lands increases the value per acre in States with small farms more than in States where the farms are large, since \$3,000 worth of buildings on a 100-acre farm will increase the value per acre by \$30, while the same improvements on a 1000-acre farm will increase the value only \$3 per acre.

Following the outbreak of the Korean War, farm land values began a steady rise that brought the average value per acre of all United States farm lands to \$66.45. This was a rise of 20.7% above the average value of \$55.05 in July 1950. There are 12 States where the average value per acre is from 23 to 26% (cont. on page 24)

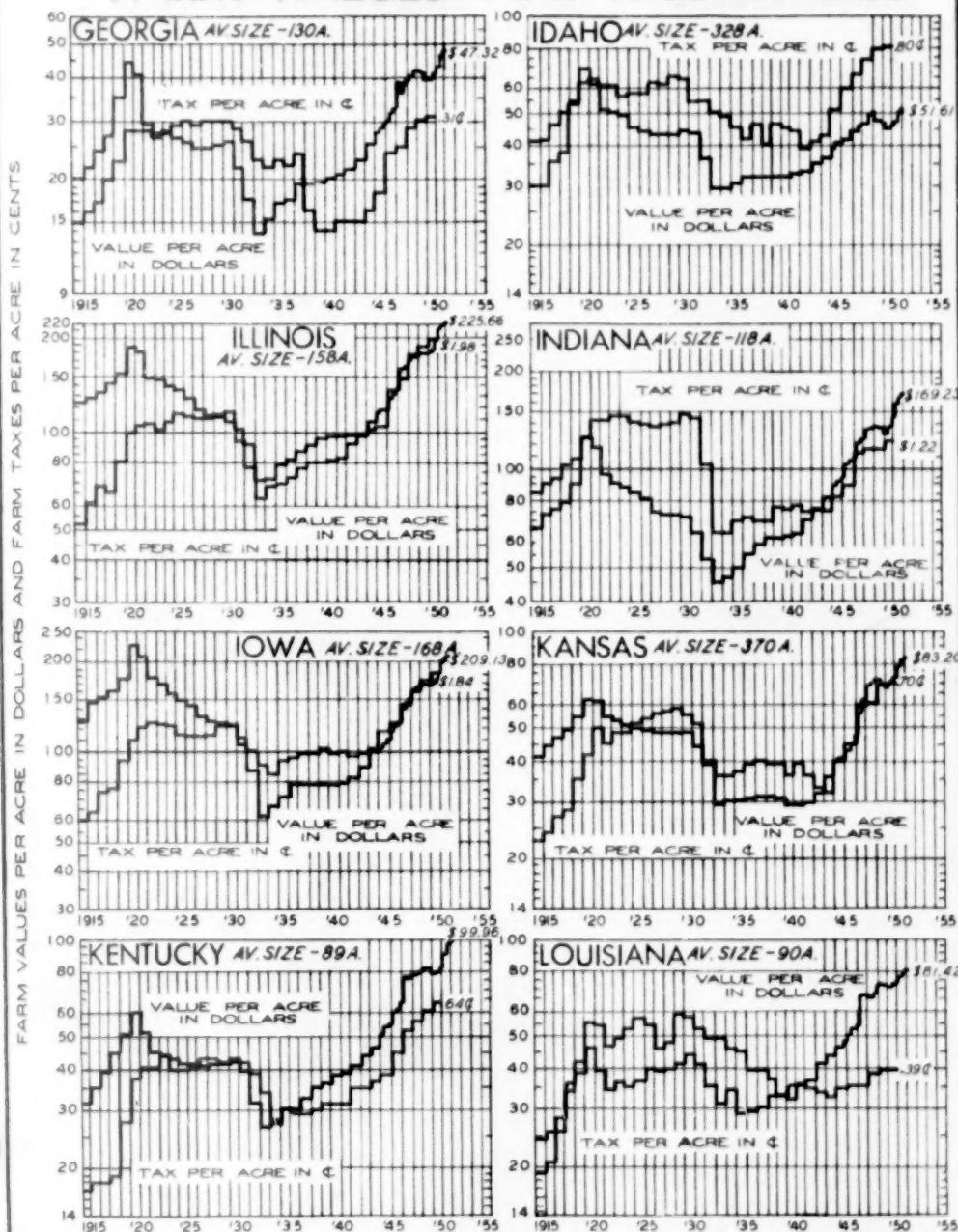


FARM VALUES AND FARM TAXES

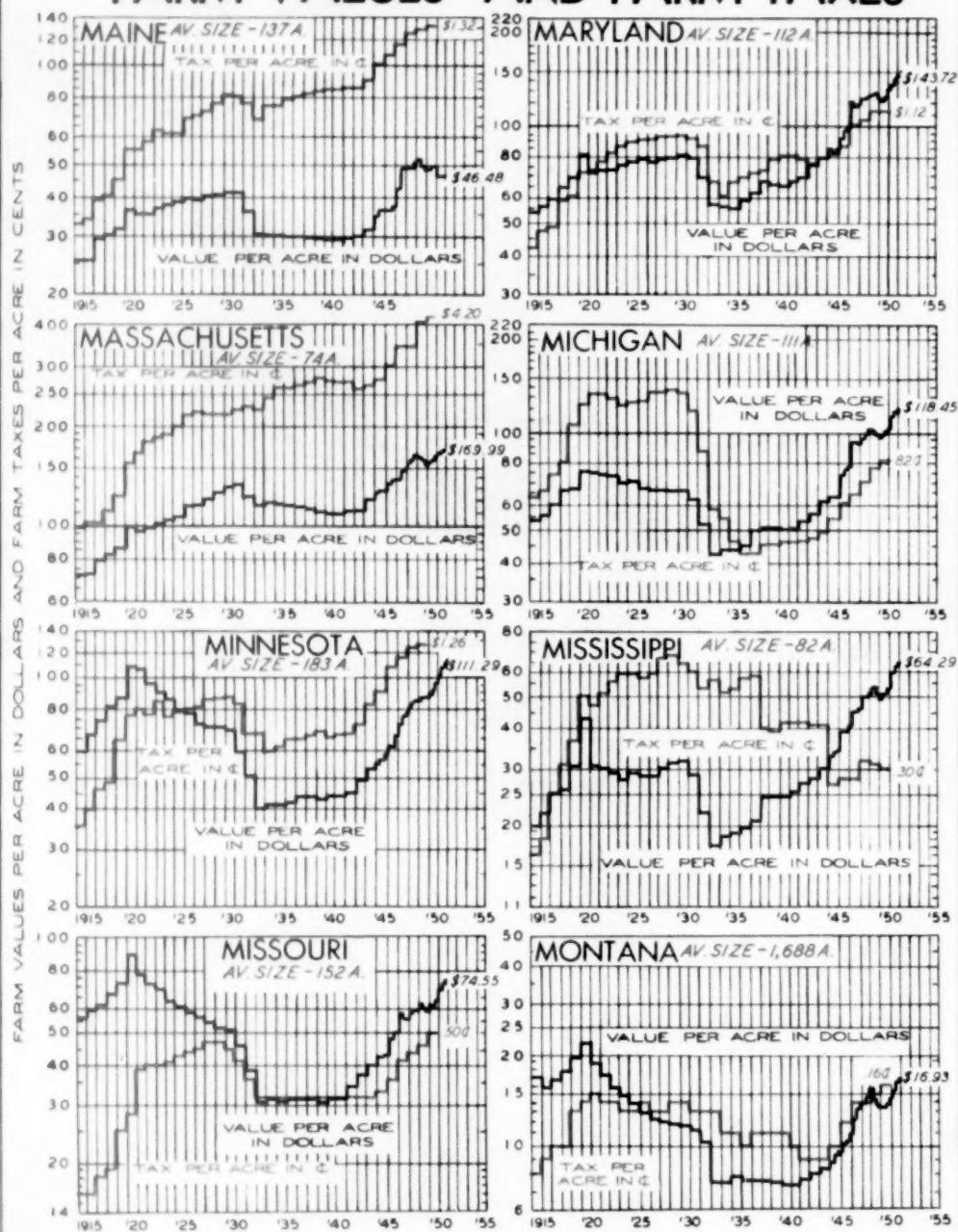


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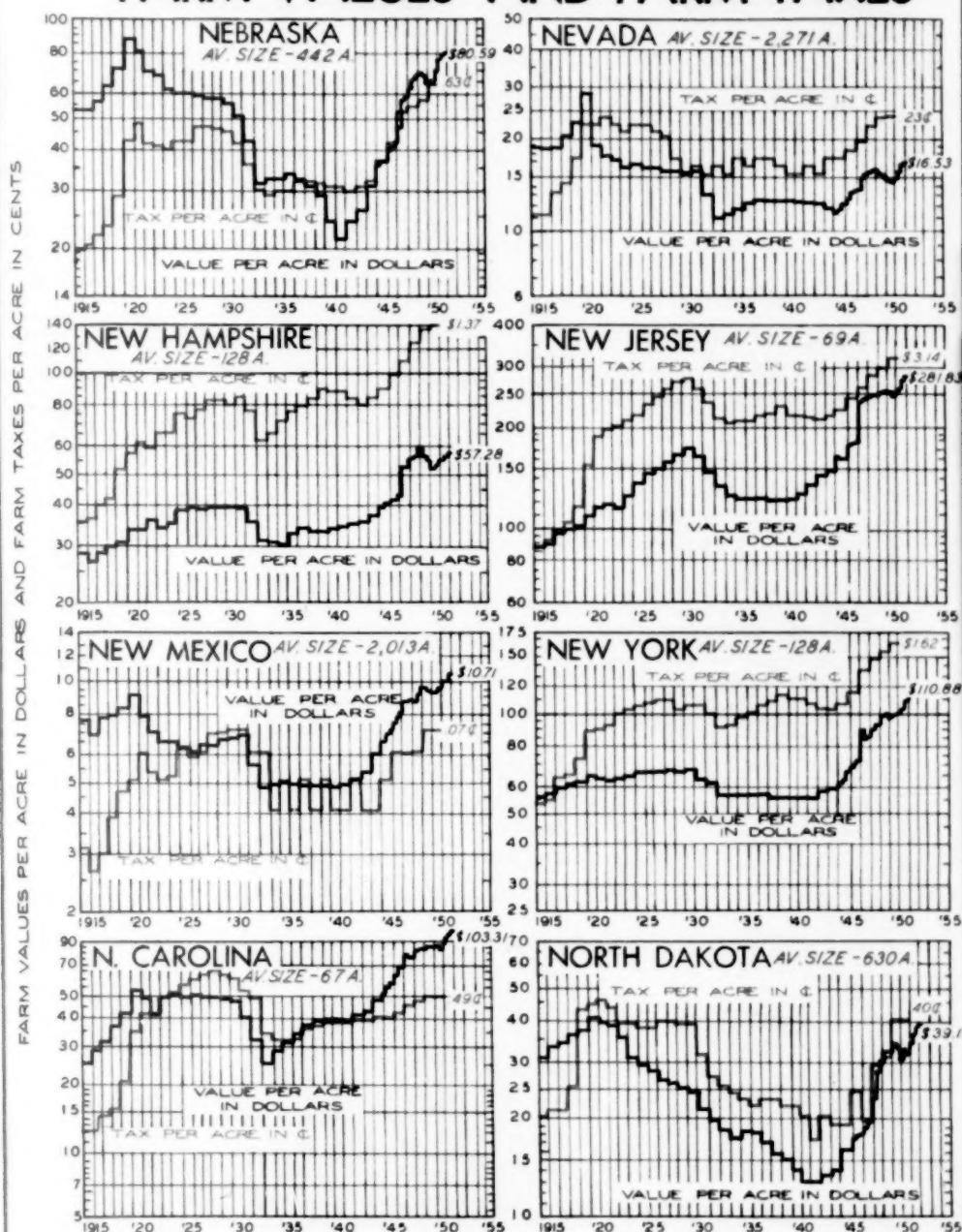
FARM VALUES AND FARM TAXES



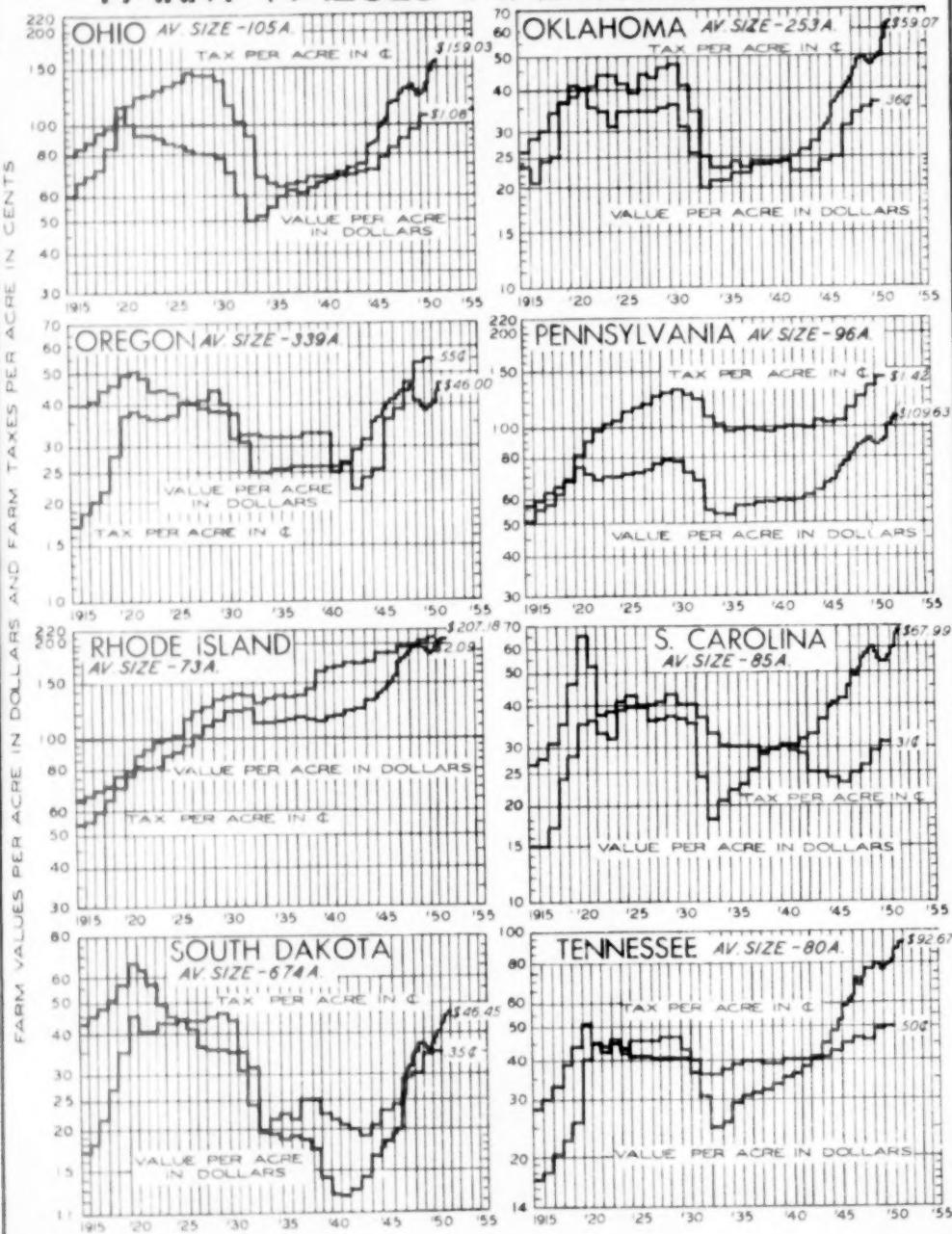
FARM VALUES AND FARM TAXES



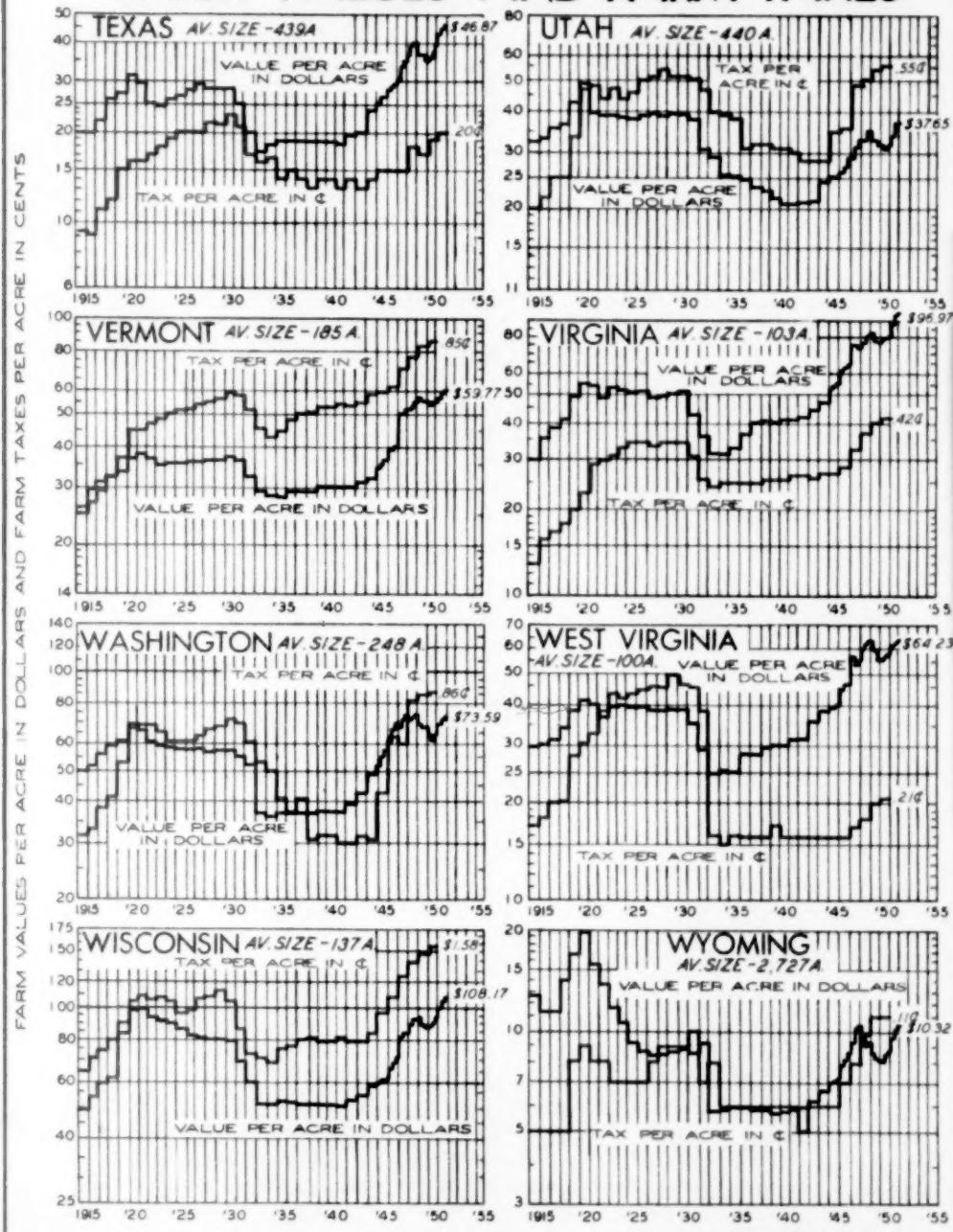
FARM VALUES AND FARM TAXES



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FARM VALUES AND FARM TAXES



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(cont. from page 17)

above the pre-Korean level. They are: Arizona, Illinois, Indiana, Kentucky, Mississippi, Missouri, Nebraska, New Mexico, Ohio, South Carolina, Texas and Virginia. The States that have shown the least increase in land values since Korea are: Maine, no increase;* Connecticut and New Hampshire, up 5%; and Massachusetts, up 8%.

Highest farm land values are still found in New Jersey, with an average of \$282 per acre. Connecticut farm lands rank second at \$239 per acre; Illinois, with \$226 per acre, is in third place; Iowa is in fourth place, with \$209 per acre; and Rhode Island, with an average value of \$207 per acre, is in fifth place.

Although the national average figure of \$66.45 is still almost \$3 below its all-time peak of \$69.40, reached in 1920,** there are 27 States where farm land values have now risen above any previous level. A large number of these States have exceeded their prewar peak values by considerable margins. For example, North Carolina's average farm land value per acre is now 87% above the peak reached in the 1920's; Delaware is 85% above its prewar peak; Alabama is up 78% above its 1930 peak; Maryland is also up 78%; and Virginia has shown a gain of 76% over its 1920 peak. Other big gains have been achieved in Louisiana, up 74%; Tennessee, up 73%; Kentucky, up 67%; New Jersey and Rhode Island, up 66% each; Vermont, up 62%; while Connecticut is up 60%.

Indications are that farm land values are very near their peak and should level off during early 1952, perhaps declining slightly toward the end of the year. However, continued high demand and relatively stable prices of farm products will prohibit any sudden significant drop in the value of farm lands. In our opinion, this year will be a very good time to get rid of marginal, or low-producing farm lands, at a profit. On the other hand, well-chosen and strongly held farms should be kept. A well-managed, productive farm will, in most cases, continue to be a good investment for many years to come.

*Maine farm lands have actually dropped 5% in value since July 1950.

**Our figures are somewhat different from those quoted by the U.S.D.A. Our farm land values are based on U.S. Census reports of the average value per acre of all farms in each State. The Department of Agriculture figures are based on the average values of selected farms in each State.